



KKR Invests in 400 Summer Street Joint Venture in Boston Seaport

September 23, 2021

BOSTON--(BUSINESS WIRE)-- KKR, a leading global investment firm, today announced that it has completed a major investment in a joint venture with WS Development and the Public Sector Pension Investment Board ("PSP Investments") for 400 Summer Street, a new state-of-the-art life science tower currently under construction in Boston's Seaport District. Through its investment in the joint venture, KKR will collaborate with WS Development and PSP Investments in ownership of the asset, while WS Development continues to oversee and lead development and management of the property.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20210923005285/en/>



Render of 400 Summer Street in Boston's Seaport neighborhood. Image courtesy of WS Development.

400 Summer Street is a 16-story, purpose-built life science building located in the center of Boston's Seaport District submarket. Once completed, the 635,000 square foot property will serve as the headquarters of Foundation Medicine, a leading Boston-based biotechnology company and subsidiary of Roche Pharmaceuticals, which has leased 100% of the laboratory and office space in the building. 400 Summer Street is part of the 33-acre Boston Seaport development project led by WS Development and will feature both interior and exterior public spaces connecting Summer and Congress Streets, as well as more than 30,000 square feet of neighborhood retail space. The building was designed by Morris Adjmi of New York and is being constructed by Suffolk Construction of Boston.

Robust funding for research and development has continued to fuel growth in the life science sector, with worldwide total Pharmaceutical R&D spend expected to eclipse \$200 billion through 2021.¹ "We have a strong conviction in life sciences real estate and believe there will be lasting demand for high-quality lab and work space in the world's top innovation centers. We are thrilled to be growing our portfolio of trophy life science assets with our investment in 400 Summer Street in Boston's Seaport. In addition to our recent acquisition in San Francisco's Mission Bay, we are now serving the two largest and most premier life science clusters in the U.S.," said Justin Pattner, KKR Partner and Head of Real Estate Equity in the Americas.

"We are very pleased to welcome KKR as a strategic partner on 400 Summer Street," said Jeremy Sclar, Chairman and CEO of WS Development. "For decades, KKR has been one of the most innovative investment organizations in the world, and we couldn't be more excited about their investment in 400 Summer Street in the Seaport, a neighborhood that is home to some of the most forward-thinking and progressive employers, residents and retailers in the world."

"The Seaport District has become a tremendous ecosystem for innovation and growth. 400 Summer Street, once completed, will further underpin the area's commitment to the life science cluster," said Carole Guerin, Managing Director, Head of Americas, Real Estate Investments, PSP Investments. "PSP Investments is proud to again partner with KKR, as well as to continue our relationship with WS Developments as we work together to nurture and support what is now a global hub of innovation and creative economy."

Daniel Rudin, Managing Director at KKR, said, "WS Development's master plan project is helping position the Seaport as a destination of choice for top talent and employers. We are excited to support this endeavor by investing

alongside WS and PSP Investments in 400 Summer Street, a property of exceptional quality designed to meet the needs of an elite biotechnology company and developed with a strong focus on public space and sustainability. This is a great addition to our portfolio as we continue to grow our presence in the Boston market and the life sciences sector more generally. The ability to work with PSP Investments and WS, a best-in-class group we have followed for some time is a great outcome."

KKR is making the investment through its core plus real estate strategy. Since launching a dedicated real estate platform in 2011, KKR has grown real estate assets under management to approximately \$32 billion across the U.S., Europe and Asia as of June 30, 2021. KKR's global real estate team consists of approximately 130 dedicated investment professionals, spanning both the equity and credit business, across twelve offices and nine countries.

Newmark's Boston-based Capital Markets Group represented WS Development and PSP Investments on the transaction.

About KKR

KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of The Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

About WS Development

WS Development is a Massachusetts-based property developer and owner dedicated to the creation of places where people want to be. With more than 22 million square feet of existing space and an additional five million square feet under development, it is one of the largest privately-owned development firms in the country. In business since 1990, WS is a vertically-integrated company that develops, owns, operates, and leases over 90 properties. Its goal is to be a contributing member of each community it serves. For more information, [visit www.wsdevelopment.com](http://www.wsdevelopment.com), call 617.232.8900, or follow WS Development on LinkedIn.

About PSP Investments

The Public Sector Pension Investment Board (PSP Investments) is one of Canada's largest pension investment managers with \$204.5 billion of net assets under management as of March 31, 2021. It manages a diversified global portfolio composed of investments in public financial markets, private equity, real estate, infrastructure, natural resources and credit investments. Established in 1999, PSP Investments manages and invests amounts transferred to it by the Government of Canada for the pension plans of the federal Public Service, the Canadian Forces, the Royal Canadian Mounted Police and the Reserve Force. Headquartered in Ottawa, PSP Investments has its principal business office in Montréal and offices in New York, London and Hong Kong. For more information, visit investpsp.com or follow us on Twitter and LinkedIn.

¹ *EvaluatePharma World Preview 2020* (13 Edition – July 2020)

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